

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

DEREGULATION OF LOCAL EXCHANGE)	ADMINISTRATIVE
COMPANIES' PAYPHONE SERVICE)	CASE NO. 361

O R D E R

On October 30, 1997, the Kentucky Payphone Association filed a motion for clarification of the Commission's October 22, 1997 Order and for permission to prefile rebuttal testimony. The Commission hereby clarifies its October 22, 1997 Order.

IT IS THEREFORE ORDERED that:

1. Prefiled testimony from all interested parties, including all intervenors shall be filed no later than November 25, 1997.
2. Witnesses of all parties including intervenors shall appear at the December 4, 1997 hearing.
3. The motion of the Kentucky Payphone Association to alter the procedural schedule to allow rebuttal testimony to be prefiled shall be denied.
4. All parties may present rebuttal testimony at the hearing on December 4, 1997.
5. BellSouth Telecommunications, Inc. ("BellSouth"), GTE South Incorporated ("GTE"), Cincinnati Bell Telephone, Inc. ("CBT") and the Kentucky Payphone Association shall each file an original and 10 copies of their response to the information requested in Appendix A to this Order with the Commission no later than November 14, 1997 with a

copy to all parties of record. When a response requires multiple pages, each page should be appropriately indexed, for example, Item 1(a), Sheet 2 of 4. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible.

Done at Frankfort, Kentucky, this 31st day of October, 1997.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN ADMINISTRATIVE CASE NO. 361 DATED OCTOBER 31, 1997

KENTUCKY PAYPHONE ASSOCIATION

1. Provide evidence to support your statement on page 5, item 3 of your August 13, 1997 filing with the Commission regarding unfair business practices.

2. What steps should the Commission take to ensure that the business practices mentioned on page 5, items 4 and 5 do not occur?

BELLSOUTH, GTE, CBT

3. What network services does your company provide to payphone service providers ("PSPs"), your payphone operations, or the operations of an affiliate company?

4. Are the computations of the cost based prices in your cost studies based on the "new services test"?

5. Provide evidence that the network services provided to your own payphone operations or the payphone operations of an affiliated company do not discriminate against other PSPs. Such evidence might include invoices for these services to your own or an affiliated company payphone services and to a PSP.

6. Provide evidence that regulated services are not subsidizing your company's payphone operations.

7. If the Commission finds that services provided to PSPs, subsequent to April 15, 1997, are not cost based, should refunds by Local Exchange Companies ("LECs") be required?

8. If your company's network personnel install payphones for your company's payphone operations or those of an affiliated company, how are these costs billed to these entities?

9. What steps would you recommend that the Commission take to ensure that the practices mentioned in the Kentucky Payphone Associations motion filed August 13, 1997 at page 5, items 3, 4, and 5 do not occur?

BELLSOUTH

10. Comment on Coin Phone Management's statement on page 5 of its October 1, 1997 filing that the discrepancy between the \$29.00 rate proposal in Case No. 97-074 and your current tariffed business rates suggests that BellSouth has not submitted truly cost-based, non-subsidized rates to the Commission in Administrative Case No. 361.

11. Comment on Coin Phone Management's statement on page 6 of the October 1, 1997 filing that BellSouth's current proposed payphone tariff rates violate Computer III guidelines, the Federal Communications Commission's ("FCC's") regulations in Docket No. 96-128¹ and the provisions of Section 276 of the Telecommunications Act.

12. Provide an analysis of the development of the 13.2% cost of money used in your cost study.

COIN PHONE MANAGEMENT

13. Paragraph 149 of the FCC's 96-388 order² speaks of other payphone services to be provided to PSPs on a nondiscriminatory basis. These services include fraud protection, special numbering assignments, and installation and maintenance. Is it

¹ FCC 96-388, CC Docket Nos. 96-128 and 91-35, Released September 20, 1996.

² Id.

your position that these services must be subject to the "new services test"? If yes, provide cite.

14. List all rates of BellSouth, GTE, and CBT that you declare do not meet the "new services test" and by order of the FCC should. Provide reference to the applicable cost study to support your position.